

MINUTES OF THE REGULAR MEETING OF THE FAIRFAX COUNTY
REDEVELOPMENT AND HOUSING AUTHORITY

June 24, 2004

On June 24, 2004, the Commissioners of the Fairfax County Redevelopment and Housing Authority (FCRHA) met in the FCRHA Board Room, One University Plaza, 4500 University Drive, Fairfax, Virginia, at 6:40 p.m., for a presentation on the West County Shelter by the Department of Family Services.

PRESENTATION

In the absence of the FCRHA Chair, Acting Chair Ronald Christian introduced Laura Bovee who gave a presentation on the West County Shelter, to be known as Katherine K. Hanley Family Shelter. The shelter will be located in Centreville and will serve no more than 20 families or 60 people at one time. It is anticipated that construction will begin in early 2005 and move in is expected in the spring/summer of 2006. After her presentation, Ms. Bovee responded to questions from the Commissioners.

Commissioner Christian closed the presentation at 7:02 p.m.

The following Commissioners were present for a portion or all of the presentations: Ronald Christian, Kenneth Butler, Martin Dunn, Willard Jasper, H. Charlen Kyle, Elisabeth Lardner, Albert McAloon, Lee Rau, and Joan Sellers.

CALL TO ORDER

Acting Chair Ronald Christian called the regular meeting of the FCRHA to order at 7:05 p.m. FCRHA Commissioners present or absent for a portion or all of the meeting were as follows:

PRESENT

Conrad Egan *
Ronald Christian
Kenneth Butler
Martin Dunn
H. Charlen Kyle
Elisabeth Lardner
Willard Jasper
Albert McAloon
Lee Rau
Joan Sellers

ABSENT

John Kershenstein

Chairman Egan arrived at 7:10 p.m.

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Paula C. Sampson, Director; Mary A. Stevens, Deputy Director; Harry Swanson, Deputy Director, Revitalization and Real Estate; Kristina Norvell, Director of Public Affairs; Michael Finkle, Director, Housing Management Division; James Hall, Chief, Housing Services Branch, Housing Management Division (HMD); Curtis Hall, Director, Information Systems and Services Division; Joe Maranto, Fiscal Administrator, Financial Management Division; Penny Xu, Fiscal Administrator, Financial Management Division; John Payne, Director, Design, Development and Construction (DD&C) Division; Gordon Goodlett, Development Officer, DD&C; Cynthia Ianni, Senior Program Manager, DD&C; Tom Overocker, Acting Senior Program Manager; Revitalization Division; Louise Milder, Senior Real Estate Finance Officer, Real Estate Finance and Grants Management Division (REFGM); Barbara Silberzahn, Chief, Homeownership and Relocation Services (H&RS); Bonnie Conrad, Homeownership Program Manager, H&RS; James Speight, Director, Property Improvement and Maintenance Division; Anne Morrison, Asset Manager, and Winifred A. Clement, FCRHA Assistant. Other Fairfax County staff in attendance: Alan Weiss, Assistant County Attorney, FCRHA Counsel and David Stroh, Assistant County Attorney, FCRHA Counsel.

CITIZEN TIME

Will Williams, Director of Alcohol and Drug Services, Fairfax-Falls Church Community Services Board (CSB), gave a presentation on Sunrise I and Sunrise II, which serve adolescent residents recovering from substance abuse and/or mental illness. The Sunrise facilities are owned by the FCRHA but being operated by the CSB. Mr. Williams requested additional funding for the CSB to complete the Sunrise I and II expansion/renovation projects. After the presentation, Mr. Williams and Patrick McConnell, Director of the Sunrise Program, responded to questions from the Commissioners.

Stephanie Moore Hunter, the second citizen to testify before the FCRHA, requested that the FCRHA waive all its rights and interests with respect to her MIDS property located at 5712 Magnolia Lane. Ms. Moore was assured that the matter will be considered later in closed session, and the result of the discussion will be communicated to her through HCD Homeownership staff.

With no one else in the audience wishing to speak, the Acting chair closed citizen time at 7:23 p.m.

PUBLIC HEARING

FCRHA Purchase of Units at Saintsbury Place and Laurel Hill

The public hearing was opened by the Acting Chair at 7:25 p.m. With no one wishing to testify, the Acting Chair closed the public hearing at 7:26 p.m. and turned the gavel over to Chairman Egan, who had arrived.

APPROVAL OF MINUTES

A motion was made by Commissioner Rau, seconded by Commissioner Sellers, that the FCRHA adopt the minutes of the May 30, 2004 meeting. A vote was taken and the motion carried.

ACTION ITEMS

1. RESOLUTION NUMBER 43-04

AUTHORIZATION TO PURCHASE AND FINANCE UP TO SIX AFFORDABLE DWELLING UNITS (ADUs) AT THE LAUREL HILL SUBDIVISION PURSUANT TO SECTION 2-810 OF THE FAIRFAX COUNTY ZONING ORDINANCE (MOUNT VERNON DISTRICT)

NOW THEREFORE BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby authorizes:

- 1) the Chairman, Vice Chairman, Secretary, or any Assistant Secretary of the FCRHA to draw against the line of credit with SunTrust Bank an amount up to \$725,000, as interim financing to be used to acquire up to six, three bedroom, one and one-half bath townhouse units (Units) at the Laurel Hill subdivision, and authorizes any Assistant Secretary to negotiate the terms of and enter into a contract or contracts to purchase these Units as outlined in the item presented to the FCRHA at its meeting of June 24, 2004;
- 2) staff to pursue arrangements for the permanent financing of up to six Units, by borrowing against the value of the Units, secured by deeds of trust on the Units, an aggregate amount not to exceed the debt that can be serviced by rental cash flow from the Units; and
- 3) preparation of a financing plan, to be submitted to the FCRHA and Board of Supervisors for approval, which will include arrangements for the permanent debt and equity financing of the Units and payment of homeowner association fees by the County.

A motion was made by Commissioner Lardner, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 43-04. Gordon Goodlett gave a brief presentation on Resolution 43-04. After the presentation, he responded to questions from the Commissioners.

Commissioner McAloon requested a review of the ADU policy regarding the FCRHA exercising its right to purchase 25 ADUs. Commissioner Sellers noted that there may be a need to for the FCRHA increase its purchase of certain ADU units, for example, Saintsbury Place is a senior housing project, and there is a need for more senior housing.

A vote was taken after discussion, and the motion carried unanimously.

2. RESOLUTION NUMBER 44-04

AUTHORIZATION TO PURCHASE AND FINANCE UP TO SIX AFFORDABLE DWELLING
UNITS (ADUS) AT THE SAINTSBURY PLAZA CONDOMINIUM DEVELOPMENT
PURSUANT TO SECTION 2-810 OF THE FAIRFAX COUNTY ZONING ORDINANCE
(PROVIDENCE DISTRICT)

NOW THEREFORE BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby authorizes:

- 1) the Chairman, Vice Chairman, Secretary, or any Assistant Secretary of the FCRHA to draw against the line of credit with SunTrust Bank an amount up to \$525,000, as interim financing to be used to acquire up to six condominium units at The Saintsbury Plaza Condominium, consisting of 2-bedroom/1 bath units, (Units) and authorizes any Assistant Secretary to negotiate the terms of and enter into a contract or contracts to purchase these Units as outlined in the item presented to the FCRHA at its meeting of June 24, 2004;
- 2) staff to pursue arrangements for the permanent financing of up to six Units, by borrowing against the value of the Units, secured by deeds of trust on the Units, an aggregate amount not to exceed the debt that can be serviced by rental cash flow from the Units; and
- 3) preparation of a financing plan, to be submitted to the FCRHA and Board of Supervisors for approval, which will include arrangements for the permanent debt and equity financing of the Units, and requests for payment of condominium fees by the County.

A motion was made by Commissioner Dunn, seconded by Commissioner Jasper, to adopt Resolution number 44-04. Gordon Goodlett gave a brief presentation after which he responded to questions from the Commissioners.

Commissioner Jasper recommended that the FCRHA approve the item as written and look at the financing plan and make recommendations regarding the ADU purchase guidelines when the financing plan is ready.

A vote was taken after discussion, and the motion carried unanimously.

3. RESOLUTION NUMBER 45-04

ISSUANCE OF FAIRFAX COUNTY REDEVELOPMENT AND
HOUSING AUTHORITY LEASE REVENUE BONDS
(JAMES LEE COMMUNITY CENTER) SERIES 2004
(PROVIDENCE DISTRICT)

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$11,600,000 OF FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY LEASE REVENUE BONDS (JAMES LEE COMMUNITY CENTER) SERIES 2004; DESIGNATING THE BONDS AS LIMITED OBLIGATIONS OF THE AUTHORITY; APPROVING AND AUTHORIZING THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF THE TRUST INDENTURE, OFFICIAL STATEMENT AND THE BOND PURCHASE AGREEMENT IN SUBSTANTIALLY THE FORM MADE AVAILABLE FOR REVIEW, AND THE NO ARBITRAGE CERTIFICATE AND TAX AGREEMENT, AND OTHER DOCUMENTS RELATED TO THE ISSUANCE AND SALE OF THE BONDS; REQUESTING AUTHENTICATION OF THE BONDS; APPOINTING THE TRUSTEE AND BOND COUNSEL; AND AUTHORIZING PROPER OFFICERS TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION HEREWITH

WHEREAS, the Fairfax County Redevelopment and Housing Authority (the "Authority") is a political subdivision of the Commonwealth of Virginia, established pursuant to the Virginia Housing Authority Law, Title 36, Chapter 1, *Code of Virginia*, 1950, as amended (the "Act"), and is authorized thereby to issue its notes and bonds from time to time to fulfill its public purposes within the meaning of the Act; and

WHEREAS, pursuant to and in accordance with the Act, the Authority desires to issue, sell, and deliver its Lease Revenue Bonds (James Lee Community Center) Series 2004 (the "Bonds") in an aggregate principal amount not to exceed \$11,600,000; and

WHEREAS, the proceeds of the Bonds will be used to provide permanent financing for a community center commonly known as the James Lee Community Center, located in Fairfax County, at 2855 Annandale Road, Falls Church, Virginia (the "Community Center"); and

WHEREAS, the land parcel upon which the Community Center is situated (the "Land") is owned by the County of Fairfax (the "County") and will be leased to the Authority pursuant to a Ground Lease Agreement on a long-term basis; and

A motion was made by Commissioner Butler, seconded by Commissioner Dunn, to adopt Resolution Number 45-04. A brief presentation was given by Cynthia Ianni, Senior Program Manager, DD&C Division and James Bray, Senior Real Estate Finance Officer; REFGM

Division. Commissioner Kyle expressed pleasure with the project. Commissioner Christian relayed that there was a tremendous outpouring from within the Community for the James Lee Community Center project.

A vote was taken, and the motion carried unanimously.

4. RESOLUTION NUMBER 46-04

AUTHORIZATION TO ENTER INTO A CONTRACT BETWEEN THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY AND THE LORTON ARTS FOUNDATION, INC. TO RECEIVE INVESTING IN COMMUNITIES PROGRAM FUNDS FOR PREDEVELOPMENT COSTS FOR THE WORKHOUSE ARTS CENTER AT LORTON PROJECT (MOUNT VERNON DISTRICT)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA):

1. Authorizes the Chairman, Vice Chairman, or any Assistant Secretary of the FCRHA to execute a contract between the FCRHA and the Lorton Arts Foundation, Inc., subject to approval of award of funds by the Board of Supervisors, for \$50,000 in Community Development Block Grant (CDBG) funds under the Investing in Communities Program (ICP) after final written determination of the eligibility of the project for use of CDBG funds;

2. Authorizes the Chairman, Vice Chairman, or any Assistant Secretary of the FCRHA to execute documents as required for the grant, imposing the ICP's restricting conditions, in an amount not to exceed \$50,000, to the Lorton Arts Foundation, Inc. for predevelopment costs for the Workhouse Arts Center at Lorton project, subject to approval by the Board of Supervisors.

A motion was made by Commissioner Lardner, seconded by Commissioner McAloon, to adopt Resolution Number 46-04. A brief presentation was given by Steve Knippler, and representatives of Lorton Arts Foundation, Tina Leone, Executive Director, and Sharon Mason, Vice President, Visual Arts. After the presentation, they responded to questions from the Commissioners.

Commissioner Jasper commended the Lorton Arts Foundation staff for the work done so far on the project. Commissioner Butler requested copies of the press articles on Lorton and a listing of the Lorton Arts Foundation Board of Directors.

After further deliberation, a vote was taken, and the motion to adopt Resolution Number 46-04 carried unanimously.

5. RESOLUTION NUMBER 47-04

AUTHORIZATION TO ENTER INTO CONTRACTS BETWEEN THE FAIRFAX COUNTY
REDEVELOPMENT AND HOUSING AUTHORITY AND NONPROFIT ORGANIZATIONS
RECEIVING COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
(PROVIDENCE, BRADDOCK, MOUNT VERNON, LEE, SPRINGFIELD,
DRANESVILLE, AND MASON DISTRICTS)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) authorizes the Chairman, Vice Chairman, or any Assistant Secretary of the FCRHA to negotiate, execute and deliver contracts, loans and any other necessary or appropriate documents or agreements in accordance with the applicable Federal regulations for the use of Community Development Block Grant Funds and consistent with the approvals of the Board of Supervisors in each instance between the FCRHA and (1) Homestretch, Inc. in the amount of \$100,000 to purchase a three or four-bedroom unit to be rented to Housing Choice Voucher holders in the Annandale or Falls Church areas of Fairfax County; (2) Wesley Housing Development Corporation in the amount of \$30,000 for rehabilitating the Springdale House that houses eight low-income elderly and disabled persons in the Bailey's Crossroads area of the County; (3) Chesterbrook Residences, Inc. in the amount of \$250,000 for the predevelopment and construction of a 97-unit structure for lower-income, elderly persons in McLean; (4) Robert Pierre Johnson Housing Development Corporation in the amount of \$189,095 for the acquisition of four to five units of affordable rental housing for Housing Choice Voucher holders in the southern part of Fairfax County; (5) Good Shepherd Housing and Family Services in the amount of \$150,000 for the acquisition of five units of affordable rental housing to be rented to very low and low/moderate income persons in need of emergency and transitional housing in the Richmond Highway Revitalization Area; and (6) Habitat for Humanity of Northern Virginia in the amount of \$120,000 for the predevelopment and construction of eight condominium units at Stevenson Street in Fairfax, Virginia for CDBG-eligible residents for homeownership.

A motion was made by Commission Jasper, seconded by Commissioner Dunn, that the FCRHA adopt Resolution Number 47-04. A brief presentation was given by David Bennett of HCD Real Estate and Grants Management Division. Mr. Bennett introduced representatives of the six non-profit organizations benefiting from the grants as mentioned in Resolution Number 47-04. After the presentation, Mr. Bennett responded to questions from the Commissioners.

After discussion, a vote was taken by roll call as follows:

AYE

Conrad Egan
Ronald Christian
Martin Dunn
Willard Jasper
Charlen Kyle
Elisabeth Lardner
Albert McAloon
Lee Rau
Joan Sellers

NAY

Kenneth Butler

ABSTAIN

The motion carried, with Commissioner Butler dissenting. Commissioner Dunn requested that the title of the item be corrected to include Dranesville District, where the Chesterbrook project is located.

6. RESOLUTION NO. 48-04

AUTHORIZATION TO SUBMIT PROPOSED GRANT APPLICATIONS UNDER THE FISCAL
YEAR 2004 U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S (HUD)
SUPER NOTICE OF FUNDING AVAILABILITY (SUPERNOFA)

NOW, THEREFORE, BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) authorizes the Department of Housing and Community Development to submit the following applications to the U.S. Department of Housing and Urban Development as described in the action item approved by the FCRHA on June 24, 2004:

- Housing Choice Voucher Family Self-Sufficiency (FSS) Coordinator
- Mainstream Housing Opportunities for Persons with Disabilities

A motion was made by Commissioner Jasper, seconded by Commissioner Christian, to adopt Resolution Number 48-04. A vote was taken after discussion, and the motion carried unanimously.

7. RESOLUTION NUMBER 49-04
APPROVAL OF RICHMOND HIGHWAY FAÇADE IMPROVEMENT PROGRAM
GRANT FOR THE PROPERTY LOCATED AT
7329 RICHMOND HIGHWAY, ALEXANDRIA, VA 22306
(LEE AND MOUNT VERNON DISTRICTS)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby:

1. Approves a Richmond Highway Façade Improvement Program (the Program) grant in the amount of \$25,000 to David W. Wirman, Jr. and Betty A. Wirman, owners of the Cintron Safe and Lock Center, located at 7329 Richmond Highway, Alexandria, VA 22306 on property also identified as Fairfax County tax map number 092-4-((01))-0090-A, subject to compliance with all of the Program requirements and the approved application documents and to be used solely for the purpose of façade improvements as described in the approved Program application documents; and

2. Authorizes the Chairman, Vice Chairman, or any Assistant Secretary on behalf of the FCRHA to execute and deliver all necessary or appropriate documents relating to the Richmond Highway Façade Improvement Program grant approved by the FCRHA for David W. Wirman, Jr. and Betty A. Wirman.

A motion was made by Commissioner McAloon, seconded by Commissioner Lardner to adopt Resolution Number 49-04.

A brief presentation was given by Harry Swanson, HCD Deputy Director of Revitalization and Real Estate. After his presentation Mr. Swanson responded to questions from the Commissioners. Brief comments were made by FCRHA Commissioner Lardner and Becky Witsman of Southeast Fairfax Development Corporation. A vote was taken after discussion, and the motion carried unanimously.

CONSIDERATION ITEM

RESOLUTION NUMBER 50-04 (as amended)

1. APPROVAL OF FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY FIVE-YEAR STRATEGIC PLAN FOR FY 2006 TO FY 2010

A motion was made by Commissioner Christian, seconded by Commissioner Sellers that the FCRHA adopt the Resolution Number 50-04, as amended. A vote was taken after discussion, and the motion carried unanimously.

The FCRHA Commissioners requested that some refinement be made to Value #5 under Shared Value. The phrase "quality and support" provided by the HCD staff should be corrected to read "quality of support provided by the HCD staff."

CLOSED SESSION

A motion was made by Commissioner Dunn, seconded by Commissioner Sellers, that the Fairfax County Redevelopment and Housing Authority recess and go into closed session for discussion and consideration, pursuant to Virginia Code Section 2.2-3711, pertaining to the acquisition of real property for a public purpose in Fairfax County, at 5712 Magnolia Lane, Falls Church, Virginia 22041 (Mason District) and at 6406 Holyoke Dr., Annandale, Virginia 22003, (Mason District) where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the FCRHA.

A vote was taken and the motion carried unanimously. The FCRHA went into Closed Session 9:01 p.m.

OPEN MEETING RESUMED

A motion was made by Commissioner Dunn, seconded by Commissioner Sellers, that the members of the Fairfax County Redevelopment and Housing Authority certify that to the best of their knowledge only public business matters lawfully exempted from the open meeting

requirements prescribed by the Virginia Freedom of Information Act and only matters identified in the motion to convene Closed Session were heard, discussed or considered by the Fairfax County Redevelopment and Housing Authority during Closed Session. A vote was taken by roll call as follows

AYE

NAY

ABSTAIN

Conrad Egan
Kenneth Butler
Ronald Christian
Martin Dunn
Willard Jasper
Charlen Kyle
Elisabeth Lardner
Albert McAloon
Lee Rau
Joan Sellers

The motion carried, and open meeting resumed at 9:56 p.m.

ACTION ITEMS Cont'd:

8. RESOLUTION NUMBER 51-04

DENIAL OF REQUEST FOR RELEASE OF MODERATE INCOME DIRECT SALES (MIDS) REPURCHASE RIGHTS AND ALL OTHER INTERESTS HELD BY THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY FOR THE MIDS PROPERTY LOCATED AT 5712 MAGNOLIA LANE, FALLS CHURCH, VA 22041 (MASON DISTRICT)

BE IT HEREBY RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) denies the request made by letter received June 3, 2004 from the attorney for the property owner for release of the FCRHA's repurchase rights and all its other property rights on the MIDS property located at 5712 Magnolia Lane, Falls Church, Virginia 22041 (the Property), [Tax Map No. 061-4-((19))-0010] in the Mason District.

A motion was made by Commissioner Rau, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 51-04. A vote was taken, and the motion carried unanimously.

9. RESOLUTION NUMBER 52-04

DENIAL OF REQUEST FOR RELEASE OF MODERATE INCOME DIRECT SALES (MIDS)
REPURCHASE RIGHTS AND ALL OTHER INTERESTS HELD BY THE FAIRFAX COUNTY
REDEVELOPMENT AND HOUSING AUTHORITY
FOR THE MIDS PROPERTY LOCATED AT
6406 HOLYOKE DRIVE, ANNANDALE, VA 22003 (MASON DISTRICT)

BE IT HEREBY RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) denies the request made by letter dated June 15, 2004 from the property owner for release of the FCRHA's repurchase rights and all its other property rights on the MIDS property located at 6406 Holyoke Drive, Annandale, Virginia 22003 (the Property), [Tax Map No. 072-1-((22))-0009] in the Mason District

A motion was made by Commissioner McAloon, seconded by Commissioner Christian, that the FCRHA adopt Resolution Number 51-04. A vote was taken, and the motion carried unanimously.

INFORMATION ITEMS:

1. Fairfax County Redevelopment and Housing Authority Meeting Summary – May 20, 2004
2. Minutes of the Planning and Development Committee Meeting – June 16, 2004
3. Minutes of the Finance Committee Meeting – June 16, 2004
4. Summary of the FCRHA Special Meeting with Local Revitalization Organizations and Members of the Planning Commission – June 9, 2004 - *brief discussion. It is anticipated that the next meeting will be held in six months and that a concerted effort will be made to have business leaders in attendance.*
5. Affordable Dwelling Unit (ADU) Tracking Report – *brief discussion*
6. Community Development Block Grant Funds – Program Oversight Procedures – *presentation by Dotti Moorman, Community Program Coordinator, followed by a brief discussion*
7. Status of the Childcare Community Partnership Program with the Office for Children – *Presentation by Anthony Murphy, Housing Community Developer, followed by a brief discussion*

8. Fairfax County Redevelopment and Housing Authority Calendars of Meetings for July, August, and September, 2004

BOARD MATTERS – See Attachment #1

ADJOURNMENT

A motion was made by Commissioner McAloon, seconded by Commissioner Sellers, to adjourn the meeting at 10:40 p.m. A vote was taken and the motion carried unanimously.

(Seal)

Conrad Egan, Chair

Paula C. Sampson, Assistant Secretary